

**TESTIMONY PRESENTED TO THE FINANCE, REVENUE, AND BONDING  
COMMITTEE  
APRIL 21, 2015**

*Benjamin Barnes  
Secretary  
Office of Policy and Management*

Testimony Regarding Senate Bill No. 1136

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AN ACT CONCERNING PROPERTY TAX REFORM

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Senator Fonfara, Representative Berger and distinguished members of the Finance, Revenue, and Bonding Committee, thank you for the opportunity to offer testimony on Senate Bill No. 1136, An Act Concerning Property Tax Reform.

This bill would make changes to local tax structures to:

- Allow regional councils of governments to enter into programs of cooperation and fund those efficiencies from grants from the municipal revenue sharing account.
- For calendar quarters ending on or after September 30, 2015, require 0.25% of the sales and use tax to be deposited to the municipal revenue sharing account (MRSA).
- Allow regional councils of governments to distribute MRSA grants to its members in proportion to the amount of sales and use tax collected in each member's town, city or borough.
- Cap the property tax on motor vehicles at 35 mills.

Over the course of the biennium, the diversion of the sales and use tax would cost the General Fund \$300 million compared to current law. In addition, the cap on the motor vehicles property tax would impact the property tax collections of municipalities; the details are attached as an appendix (prior to the receipt of any MRSA funds).

Thank you to the committee for the opportunity to present this testimony. Please feel free to contact my office with any questions you may have.

Impact on Motor Vehicles Property Tax Collections of a 35 Mill Cap on Motor Vehicles  
Costs Estimated Using 2013 Grand List Year  
April 21, 2015

Ansonia	(330,102)
Bolton	(13,227)
Bridgeport	(3,101,154)
Chaplin	(807)
Derby	(47,731)
East Hartford	(2,692,423)
Glastonbury	(185,470)
Granby	(45,662)
Hamden	(1,536,628)
Hartford	(11,499,702)
Hebron	(54,030)
Manchester	(1,212,256)
Meriden	(216,029)
Naugatuck	(1,596,899)
New Britain	(3,597,926)
New Haven	(2,457,689)
New London	(294,421)
Norwich	(686,354)
Simsbury	(390,165)
South Windsor	(107,384)
Stratford	(202,081)
Torrington	(279,535)
Vernon	(203,076)
Waterbury	(9,128,507)
West Hartford	(974,888)
Wethersfield	(307,146)